



General Assembly

January Session, 2017

Raised Bill No. 1021

LCO No. 5263



Referred to Committee on JUDICIARY

Introduced by:
(JUD)

AN ACT REVISING THE UNIFORM FRAUDULENT TRANSFER ACT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 52-552i of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2017*):

3 (a) A transfer or obligation is not voidable under subdivision (1) of
4 subsection (a) of section 52-552e against a person who took in good
5 faith and for a reasonably equivalent value.

6 (b) Except as otherwise provided in this section, to the extent a
7 transfer is voidable in an action by a creditor under subdivision (1) of
8 subsection (a) of section 52-552h, the creditor may recover judgment
9 for the value of the asset transferred, as adjusted under subsection (d)
10 of this section, or the amount necessary to satisfy the creditor's claim,
11 whichever is less. The judgment may be entered against: (1) The first
12 transferee of the asset or the person for whose benefit the transfer was
13 made, or (2) any subsequent transferee other than a good-faith
14 transferee who took for value or from any subsequent transferee.

15 (c) If the judgment under subsection (b) of this section is based upon

16 the value of the asset transferred, the judgment must be for an amount
17 equal to the value of the asset at the time of the transfer, subject to
18 adjustment as the equities may require.

19 (d) Notwithstanding voidability of a transfer or an obligation under
20 sections 52-552a to 52-552l, inclusive, a good-faith transferee or obligee
21 is entitled, to the extent of the value given the debtor for the transfer or
22 obligation, to (1) a lien on or a right to retain any interest in the asset
23 transferred; (2) enforcement of any obligation incurred; or (3) a
24 reduction in the amount of the liability on the judgment.

25 (e) A transfer is not voidable under subdivision (2) of subsection (a)
26 of section 52-552e or section 52-552f if the transfer results from
27 termination of a lease upon default by the debtor when the termination
28 is pursuant to the lease and applicable law.

29 (f) A transfer or obligation is not voidable under subdivision (2) of
30 subsection (a) of section 52-552e or section 52-552f against an
31 institution of higher education, as defined in 20 USC 1001, if the
32 transfer was made or obligation incurred by a parent or guardian on
33 behalf of a minor or adult child in furtherance of the child's
34 undergraduate education.

35 [(f)] (g) A transfer is not voidable under subsection (b) of section 52-
36 552f: (1) To the extent the insider gave new value to or for the benefit
37 of the debtor after the transfer was made unless the new value was
38 secured by a valid lien, (2) if made in the ordinary course of business
39 or financial affairs of the debtor and the insider, or (3) if made
40 pursuant to a good-faith effort to rehabilitate the debtor and the
41 transfer secured present value given for that purpose as well as an
42 antecedent debt of the debtor.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2017	52-552i
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JUD *Joint Favorable*